

DEPUTY PRESIDENT : Has the Law member any objection ?

No objection having been raised, Mr. Thanu Pillai's name was added to the Committee and the motion for the Select Committee was put and carried.

The Select Committee was appointed to report within four months.

THE TRAVANCORE TRADE UNIONS BILL.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : Sir, I rise to introduce the Travancore Trade Unions Bill. It has been published in the Gazette with a statement of objects and reasons and I now beg to move that the Bill be read in the Assembly.

MR. C. V. CHANDRASEKHARAN (*Ag. Director of Public Instruction*) : I second it.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*) : Sir, I shall now briefly explain the principle involved in this Bill. In the debates on the Factories Bill, there was ample evidence of some unrest amongst labour in Travancore. And it may also be quite right to presume that there has been a desire for collective and concerted action. In fact, labour seems to have begun to organise itself. As the Whitley Commission has stated in their report,—

“ It is in the power to combine that labour has the only effective safeguard against exploitation and the only lasting security against inhuman conditions.”

It is therefore not surprising that labour has begun to organise itself into Labour Associations and Conferences in the land. These organisations, if taken in hand in due time, and given a definite status and responsibility will turn to the right directions and can prove useful to themselves and to society in general in the matter of securing good wages, better conditions of labour and the like ; and so they may tend to the general peace and prosperity of the land. If, however, left adrift, these Associations may prove to be even dangerous to the society by being made, for example, as the propagation ground of communistic ideas or being made the instruments of political agitation as elsewhere. It is therefore necessary in the interests of society in general and of labour in particular that these associations should be given some definite status as well as responsibility. Corresponding to the labour associations there may be on the employers' side employers' associations called Chamber of Commerce, Employers' Federation and the like. This Bill proposes to deal with both classes of associations *viz.*, Associations representing the employees' interests and Associations representing the labour interests and the Trade Unions dealt within this Bill will include both these classes.

I would refer the Honourable Members to the definition of the expression “ Trade Unions ” contained in clause 2, sub-clause (h) :

- (h) “ Trade Union ” means any combination, whether temporary or permanent formed primarily for the purpose of regulating the relations between workmen and employers, or between workmen and workmen or between employers and employers, or for imposing restrictive conditions on the conduct of any trade or business, and includes any federation of two or more Trade Unions ”.

Such combinations may exist, I may say, even under the existing law, that is to say, without any special registration as is now proposed. But if a Trade Union will register itself under the proposed measure, not merely will it be given a corporate status and a definite recognised position so that it may be dealt with as a known body by the employers, by Government and by other people taking interest in this cause, but also it will be given special immunities. In fact, the provision for these immunities is an important provision in this Bill to which I would draw the attention of the Honourable Members. That is contained in clauses 17 and 18. Clause 17 deals with one of the immunities that a Trade Union will secure if it gets itself registered. Clause 17 runs thus :

" 17. (1) No suit or other legal proceeding shall be maintainable in any Civil Court against any registered Trade Union or any officer or member thereof in respect of any act done in contemplation or furtherance of a trade dispute to which a member of the Trade Union is a party on the ground only that such act induces some other person to break a contract of employment, or that it is an interference with the trade, business or employment of some other person or with the right of some other person to dispose of his capital or of his labour as he wills."

Again Clause 18 contains another. It is—

" Notwithstanding anything contained in any other law for the time being in force, an agreement between the members of a registered Trade Union shall not be void or voidable merely by reason of the fact that any of the objects of the agreement are in restraint of trade."

In other words it is laid down that any agreement in restraint of trade or any incitement to break contracts may be resorted to by a Trade Union, provided it is registered. Otherwise it will be liable to penalties under the law.

MR. P. K. NARAYANA PILLAI (*Aribalapuzha I*): Is the registration to be effected under the ordinary Registration Regulation or under the Joint Stock Companies Regulation?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): Under this proposed law. Being given these immunities, the Trade Unions are given facilities to take collective action for their legitimate purposes.

Having regard to Mr. P. K. Narayana Pillai's question, I may add that the registration proposed will be under this measure and that it does not involve much cost; nor is there any restriction proposed to be placed upon the objects which a registered Trade Union may pursue. Provisions for registration of Trade Unions are contained in Chapter II of the Bill. The details are given there and it is scarcely necessary to draw the attention of the Honourable Members to them. In getting registration, a Trade Union has to state the objects which it proposes to pursue. That is mentioned in Clause 6. Clause 13 gives a registered Trade Union a corporate status.

MR. E. V. KRISHNA PILLAI (*Pattanamtitta*): Before the Law Member passes on to that, I have a doubt. In Section 11 it is provided that, in the case of an appeal filed on the order of the Registrar, the

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High Court may direct by whom the whole or any part of the costs of appeal shall be paid and such costs shall be recovered as if they had been awarded under the provisions of the Civil Procedure Code. Is it the position of the Law Member that such costs can be recovered from the Registrar?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): No; it must be recovered from some one of the opposing parties; at any rate, that is my intention.

MR. E. V. KRISHNA PILLAI (*Pattanamtitta*): Suppose the court decided against the Registrar in the face of the information supplied by the Registrar. In that case, who is to pay the costs?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): That point has to be scrutinised. All that I can now say is that I did not intend that the Registrar should be asked to pay costs.

Sir, I was dealing with the purposes which registered Trade Unions may pursue. They may pursue any purpose provided it has some reasonable relationship with the Trade Union. On this point, I must however draw special attention to Clause 15 which says --

"The general funds of a registered Trade Union shall not be spent for any other objects than the following"

and then gives a number of items of which political propaganda is not one, except to the extent that is covered by clause (j). So the general funds of the registered Trade Union will not be spent except for the purposes detailed in Clause 15, of which sub-clause (j) reads as follows:—

- "(j) the payment in furtherance of any of the objects on which the general funds of the Trade Union may be spent, of contributions to any cause intended to benefit workmen in general, provided that the expenditure in respect of such contributions in any financial year shall not at any time during that year be in excess of one-fourth of the combined total of the gross during that year and of the balance at the credit of those funds at the commencement of that year."

Thus, then, excepting for legitimate Trade Union purposes, no more than one-fourth of the funds collected can be spent. But at the same time it may be asked what Trade Unions should do, if they want to follow political purposes, such as securing a seat in the legislature. They should not in such a case spend largely from the general funds but should constitute a separate fund.

For that, provision is made in clause 16, which says—

- (1) A registered Trade Union may constitute a separate fund, from contribution, separately levied for or made, to that fund, from which payments may be made for the promotion of the civic and political interests of its members, in furtherance of any of the objects specified in sub-section (2).

- (2) The objects referred to in sub-section (1) are—

(a) the payment of any expenses incurred, either directly or indirectly, by a candidate or prospective candidate for election as a member of any chamber of the Travancore Legislature or of any local authority, before, during or after the election in connection with his candidature or election; or

(b) the holding of any meeting or the distribution of any literature or documents in support of any such candidate or prospective candidate; or

(c) the maintenance of any person who is a member of any chamber of the Travancore Legislature or of any local authority, or

(d) the registration of electors or the selection of a candidate for any chamber of the Travancore Legislature or any local authority; or

(e) the holding of political meetings of any kind or, the distribution of political literature or political documents of any kind".

- (3) No member shall be compelled to contribute to the fund constituted under subsection (1) ; and a member who does not contribute to the said fund shall not be excluded from any benefits of the Trade Union, or placed in any respect either directly or indirectly under any disability or at any disadvantage as compared with other members of the Trade Union (except in relation to the control or management of the said fund) by reason of his not contributing to the said fund; and contribution to the said fund shall not be made a condition for admission to the Trade Union.

Thus the Bill accepts the principle that the general fund of the Union should be spent only for the legitimate purposes of the Union. If, in any event, the general fund has to be spent for any other purpose, such expenditure for such purpose shall not exceed one-fourth of the total fund. Also, if any Union wants to pursue any political activity, a special fund may be constituted for that purpose. But, no member of the Union can be compelled to contribute to such special fund and no person shall be subjected to any disability merely because he refuses to contribute to such special fund. In view of some observations made by some of my honourable friends during the debate on the Factories Bill, I would request the House to take particular note of the fact that enough safeguards have been provided in this Bill to prevent persons from making use of these for some selfish purposes.

I may also point out that, in clause 21, special provision has been made that a definite portion of the executive of a Union must be persons actually engaged in the industry with which the Union is connected. (Executive means the managing).—

"Not less than one-half of the total number of the officers of every registered Trade Union shall be persons actually engaged or employed in an industry with which the Trade Union is connected"

That provision is intended to keep the Union to its legitimate purpose. Every union has to be controlled by persons who have a real interest in the purpose for which the Union has been incorporated.

The House will also appreciate the fact that the registration of a Union does not involve any expenditure worth mentioning and no obligations have been placed on a registered Union working for the *bona fide* purpose for which it has been started. Every Union is given a corporate status, and every member of such Union gets certain special privileges such as not being liable for inciting any person for breaking a contract as already explained.

I believe, therefore, that all conferences and associations of labourers, that are now in existence, will find this measure very useful. They can all get themselves registered, under this measure, as Trade Unions. And, in fact, the labour organisations here have been asking for a measure of this kind. At a recent Travancore Labour Conference held at Alleppey, one of the resolutions passed was that in Travancore also,

[Mr. Kayalam Parmesvaran Pillai]

a Trade Union Law, on the lines of the Indian Trade Union Act, should be enacted. This Bill, I may say, is on the lines of that Act. I trust the House will accept the principle of this Bill.

MR. E. V. KRISHNA PILLAI (*Pattanamtitta*): In supporting the principle of the Bill, I have to offer a few observations. It is clear that the measure is only permissive, because the definition of 'Trade Union' does not make mention of registration at all. Further, clause 5 (2) contemplates the existence of Trade Unions without registration at all. It is also provided that the Bill would not affect the legal position of unregistered Trade Unions. But, Clause 14 provides that certain combinations or unions or associations registered under the Co-operative Regulation, and the Provident Insurance Regulation, shall be void. In view of the declaration that this Bill shall not affect the legal position of unregistered Unions, it is not clear what is meant by clause 14.

Secondly, while the Bill has made provisions regulating the admission of members, it does not provide for regulating the expulsion of members.

Clause 21 contemplates a set of persons who have nothing to do with the industry with which the Union is connected. That clause says:

"Not less than one-half of the total number of the officers of every registered Trade Union shall be persons actually engaged or employed in an industry with which the Trade Union is connected."

There is the other half not engaged in the industry with which the Union is connected. But, on the other hand, 6 (e) provides—

"the admission of ordinary members who shall be persons actually engaged or employed in an industry with which the Trade Union is connected."

While clause 6 provides only for the admission of ordinary members, Clause 21 seems to contemplate another set of persons.

And then, as I suggested in the question that I put to the Law Member, there is provision for the realisation of costs from the person responsible for the subject-matter of the appeal, preferred by anybody.

MR. PUTHUPALLI S. KRISHNA PILLAI (*Quilon II*): Who is the Registrar under the Bill? Is it the Registrar of Joint Stock Companies, the Registrar of Co-operative Societies, or the ordinary Sub-Registrar?

MR. E. V. KRISHNA PILLAI (*Pattanamtitta*): That also is not clear at all in the Bill as it is.

Clause II provides—

"Any person aggrieved by any refusal of the Registrar to register a Trade Union or by the withdrawal or cancellation of a certificate of Registration may, within such period as may be prescribed, appeal to the High Court unless any other Civil Court is prescribed as the appellate Court."

There may be cases in which a number of persons may be affected by such order. And Clause 13 provides that every Trade Union is a body corporate. Therefore, the word 'person' in clause 11 is not quite clear.

DEPUTY PRESIDENT: May I call your attention, Mr. E. V. Krishna Pillai, to the provisions contained in Clause 28 (a) and (e). 28 (a) says—

"(a) Our Government may make rules for the purpose of carrying into effect the Provisions of this Regulation,

the powers, duties and functions of the Registrar or Registrars and the relationship between the various Registrars when there are more than one Registrar; and

(f) any matter which is to be or may be prescribed."

That provision, probably, contemplates the appointment of a Registrar.

MR. E. V. KRISHNA PILLAI (*Pattanamtitta*): My submission is whether such Registrar will be liable for the costs of the appeal. In view of the pronouncement made by the Law Member,—

DEPUTY PRESIDENT: Will you please say 'statement' instead of 'pronouncement'? The Law Member does not make *pronouncements*.

MR. E. V. KRISHNA PILLAI (*Pattanamtitta*): Yes, Sir. The Law Member made a statement that no unhealthy political activity will be engaged in by any of these Trade Unions, and that, if any union wanted to take part in any political activity, there is provision for such purpose in Sections 15 and 16. I wish to know what is meant by the provision contained in Clause 16 (2) (e) which says:

"the holding of political meetings of any kind, or the distribution of political literature or political documents of any kind."

So, there is clear provision in that clause regarding the nature of the political activities allowed for these unions. The Law Member sought to make out that the political activities of these unions are regulated and controlled by the provisions in the Bill. But this provision, which I have just now read out certainly admits of almost every kind of political activity. I think this provision also needs revision.

With these words, I support the principle of the Bill.

MR. K. C. KARUNAKARAN (*Nominated*): About twenty-two years ago the Travancore Government placed on their Statute Book, a Resolution called the Co-operative Societies Regulation and the result of the working of that Regulation all these years has been the creation of about two thousand societies which have done nothing except harm to the economic life of the people. How far such harm has gone into the very depths of the economic life of the people has been made very clear by the Report of the Co-operative Enquiry Committee.

DEPUTY PRESIDENT: I do not find any connection between the Co-operative Societies and the present Bill.

MR. K. C. KARUNAKARAN (*Nominated*): I shall show the connection, Sir, in a moment. That Regulation was thrust on the people of the country. There was absolutely no demand from them for that enactment. Now also, there has been no demand from the people at large for a measure like the one now sought to be introduced in this House. So far as I am aware, the working masses in Travancore do not stand in need of such a Regulation and do not ask for Trade Unions as we have in the more advanced countries. I know Sir, that there are two or three labour associations now working in Travancore. Any impartial observer who examines the internal working of these associations will, I am sure, feel convinced that the primary object with which they have been organised, be it a decade ago or just a couple of years ago, is to afford platforms and names to their favourite leaders.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): Will not the passing of this measure be a remedy for such civil?

MR. K. C. KARUNAKARAN (*Nominated*): I am not opposing the Bill, Sir; I am only speaking out the truth about the present state of affairs.

For proper Trade Unions to flourish, two great things are needed on the part of the people, namely, real education and real democratic spirit. Democratic spirit has yet to develop in our labourers, in our people in general. Lack of real education among them is one of the greatest obstacles and drawbacks.

I do not, Sir, confuse literacy with education. The strength of trade unionism in the Transport Industry in most countries is partly due to the education which the travel gives.

MR. P. K. NARAYANA PILLAI (*Ambalapuzha I*): Am I to understand that the member is of opinion that the present Bill is the result of the demand made by the labourers themselves for a Trade Union Regulation?

MR. K. C. KARUNAKARAN (*Nominated*): Sir, I have already explained the nature of the Labour Associations in the State and I do not recognise them as proper Labour Associations, functioning for the good of the workers.

MR. A. THANU PILLAI (*Trivandrum—Rural*): Do the labourers recognise those associations?

MR. K. C. KARUNAKARAN (*Nominated*): I do not speak from the labourers' point of view, Sir.

It is seen from the statement of objects and reasons that the measure is simply permissive. I find that the registration of Trade Unions is not compulsory; but so far as British India is concerned, I find that it is only permissive, and this is followed in the Bill before the House. Sir, to me it seems that all these Trade Unions should be compulsorily registered, and Trade Unions which are not registered under this Bill should not be allowed to work in the country at all. I may add here, Sir, that in the British and the Dominion Legislations, the registration of Trade Unions is compulsory.

Sir, with regard to the fund of the Union, the Honourable the Law Member said that not more than a fourth of the fund should be used for the expenses in connection with the running of the Trade Union. I would go a step further and suggest to the Law Member to earmark every item of expenditure of the Trade Unions so that funds may not be swallowed up in the way of salary of secretaries or running the press or purchase of stationery or anything like that. Every item should be earmarked and every year the Registrar, according to the funds that are coming to the Trade Unions, should earmark each item and apportion the expenses to be incurred under each item, and I wish a provision is made for that purpose in this Bill.

DEPUTY PRESIDENT : Is that not going against the very idea of trade unionism that the Registrar should earmark the expenditure?

MR. K. C. KARUNAKARAN (*Nominated*): Otherwise the Secretary will swallow up the fund, in the same way as is being done now.

With regard to Clauses 17 and 18, I can very well understand and appreciate the significance of these. But I have to ask the Law Member to explain to me how far these Trade Unions will be liable for wrongful acts done either by the Trade Unions or their officers or agents, or in other words, the circumstances under which the Trade Unions would be liable for the wrongful acts of its officers or agents. Until I get that explanation, Sir, I will be in a very difficult position to accept the general principle underlying this Bill, and I wish the Law Member will explain this most important point I have raised now.

Then I have to say a word about Section 21 about which the Law Member explained. I know, Sir, that according to the British Indian Act 50 per cent. can go to outsiders on executive of the Trade Unions. If the intention of Government is really to train the labourers to look after their own interests, I should say, Sir, we should go a step forward in our legislation and provide for at least not less than 75 per cent. of the members of the executive of the Trade Unions to be drawn from the actual workers. That is to say, the outsiders should not exceed 25 per cent. That also I put forward as a modification of Section 21.

Sir, to me it seems that definite provision should be made for the prior approval by a responsible Government officer to any leaflets or other form of literature which a Trade Union might publish and penalty should be provided for any breach. Provision should also be made in the Bill to the effect that a trade union should represent only one industry and not, like the so-called Travancore Labour Association, represent all the industries in Travancore. Also provision should be made in the Regulation for permitting amalgamation of Trade Unions only when the amalgamating unions represent the same industry. Lastly, I would say that the penalty provided under clause 31 is very inadequate. With these suggestions, I support the general principle underlying the Bill.

MR. M. L. JANARDANAN PILLAI (*Co-opted*): Sir, I welcome the Trade Unions Bill; and as an employer I accept the general principle underlying it. One thing about clauses 17 and Section 18, I am afraid, can not be accepted. If you will permit me, Sir, I will read Section 18.

It runs—

"Notwithstanding anything contained in any other law for the time being in force an agreement between the members of a registered Trade Union shall not be void or voidable merely by reason of the fact that any of the objects of the agreement are in restraint of trade."

Whenever there is a breach of an agreement, the result that happens is a restraint of trade in every case.

DEPUTY PRESIDENT : I may inform the member that 'restraint of trade' is an idea in law more than in economics and it is a legal expression.

MR. M. L. JANARDANAN PILLAI (Co-opted) : In Section 17 we find —

"No suit or other legal proceedings shall be maintainable in any Civil Court against any registered Trade Union or any officer or member thereof in respect of any act done in contemplation or furtherance of a trade dispute to which a member of the Trade Union is a party on the ground only that such act induces some other person to break a contract of employment, or that it is an interference with the trade, business or employment of some other person or with the right of some other person to dispose of his capital or of his labour as he wills.

DEPUTY PRESIDENT : The House will now adjourn and meet again tomorrow at 11 O' clock.

The House adjourned at 4.55 p. m.

K. MADHAVA KURUP,
Secretary to the Sri Mulam Assembly.